

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 155 – SB 300

March 30, 2015

**SUMMARY OF ORIGINAL BILL:** Requires the State Board of Education (SBE) to develop a school grading system that assigns letter grades to schools based on their performance on the Tennessee Comprehensive Assessment Program (TCAP) or end-of-course exams, their effect on student growth as determined by the Tennessee Value-Added Assessment System (TVAAS), or data from other measures of growth, and other indicators that the SBE finds to be reliable measures of school performance. Requires school grades to be assigned annually. Requires the Department of Education (DOE) to include each school's letter grade in the annual state report card. The school grading system shall be implemented prior to the start of the 2017-2018 academic year.

FISCAL IMPACT OF ORIGINAL BILL:

Increase State Expenditures - \$8,000/One-Time

**SUMMARY OF AMENDMENT (005332):** Deletes and rewrites Section 1, subsection (c), of the original bill such that the only substantive change is to require the school grading system to commence with the 2016-2017 academic year.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Unchanged from the original fiscal note.

Assumptions for the bill as amended:

- The SBE will consult with outside stakeholders, the DOE, and other experts to develop the new school grading system.
- Based on information received from the SBE, eight meetings will be held statewide at each of the TN-CORE offices.
- Three staff members will travel to each meeting.
- Average travel costs per meeting are estimated to be \$200 for mileage and per diem; an increase in state expenditures of \$1,600 (\$200 x 8 meetings).
- Four of the meetings will require overnight lodging, estimated to be \$120 per night; an increase in state expenditures of \$1,440 (\$120 x 4 x 3 staff).
- Based on information from the SBE, materials for each of the eight meetings is estimated to cost \$625; an increase in state expenditures of \$5,000 (\$625 x 8).

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- The total one-time increase in state expenditures in FY15-16 is estimated to be \$8,040 (\$1,600 + \$1,440 + \$5,000).
- School grades will be calculated and included in the DOE report card without an increase in personnel or a decrease in the DOE reversion to the General Fund.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "Jeffrey L. Spalding". The signature is written in a cursive style with a large, stylized "J" and "S".

Jeffrey L. Spalding, Executive Director

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